



INTERNATIONAL EGG AND POULTRY REVIEW



U. S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News Branch

European Union Poultry Report

EU poultry meat production in 1998 grew at a slower rate than in 1997. This slow growth is likely to continue in 1999.

Traders report that poultry exports to Russia, made up mainly of cheap cuts, never stopped completely, unlike other meats. Russia was reported to have imported about 30% of its usual level of poultry imports from the EU in the second half of 1998. It is also estimated that EU exporters will find some alternative markets for their cuts, such as Eastern Europe, CIS republics and the Middle East (a traditional market for whole broilers but not yet for cuts). The combined effect of GATT constraints and heavy price competition from Brazil, Thailand, and the United States will limit any expansion of EU exports. The biggest EU exporters are still France, the Netherlands, Belgium/Luxembourg, the United Kingdom, Denmark and Germany. Exports tend to concentrate more and more in these member states.

The mix of products being exported from the EU has not experienced any radical change between 1997 and 1998 but has been clearly developing over time: in 1997, 71.5% of EU exports were chicken products (versus 83% in 1990) and 22.1% turkey products (versus 14% in 1990). Poultry meat exported in the form of carcasses was 33.9% in 1997, compared to 63% in 1990. Cuts accounted for 36.2% of poultry exports in 1997 versus 15% in 1990.

EU POULTRY MEAT EXPORTS (MT) BY MEMBER STATE

	1997 Revised	1998 Estimated
Total EU	934,656	920,000
France	393,725	389,000
The Netherlands	243,317	251,000
UK	89,633	70,400
Belgium/Lux	74,630	75,100
Denmark	65,416	63,700
Germany	23,717	30,700
Other EU member states	44,218	40,100

Source: Eurostat.

Figures for 1998 are estimates from Jan-June Eurostat data. Brazil began a WTO dispute settlement procedure against the EU concerning the EU poultry import regime. Brazil argues that it is entitled to use the entire TRQ for frozen poultry which was negotiated with the EU during the Uruguay Round. Brazil also claims that additional duties are not properly calculated by EU authorities. In July 1998, the WTO appellate body issued a report agreeing with Brazil on the additional duties issue but said that Brazil had to share the EU frozen poultry meat TRQ with other importers. The EU committed to improve its additional duties system by March 1999.

Export refunds for poultry are to be eliminated under Agenda 2000. The Commission's rationale is that substantial reduction of EU grain prices to world market levels, as proposed in Agenda 2000, should make it possible for EU producers to compete without export refunds. The EU's official position is to deal with poultry meat, pork and eggs as derivatives from grain.

Hungary is currently the main exporter of poultry (100,000MT) but Poland and Romania should be able to develop significant exports in the mid-term. However, only Hungary and Poland actively began accession negotiations, as they were seen by the EU as having achieved adequate economic progress.

Animal welfare is an emerging issue for all animal products in the EU. Animal welfare provisions for poultry include battery cage standards set up in 1986 and rules for welfare in transport established in 1991. In March 1998, a new Council directive proposed minimum standards which would increase the minimum size of battery cages (from 450 to 800 square centimeters) and impose nesting, perching and feeding requirements, all of which would be costly to producers.

The animal welfare movement in the EU threatens to impose the same level of standards on third country imports. Statements from various producer groups in member states say they will abide by any welfare legislation enacted as long as imports are required to meet the same standards.

Source: USDA/Foreign Agriculture Service

1997-1998 JAPANESE FROZEN EGG IMPORTS (IN TONS)

Month	Frozen			Total
	Whole Eggs	Frozen Yolks	Frozen Albumen	
1997				
July	228.3	616.6	187.3	1,032.2
August	188.6	1,219.3	201.9	1,609.8
September	211.1	914.4	108.9	1,234.4
October	201.1	958.7	196.0	1,355.8
November	179.4	1,322.5	254.0	1,755.9
1997 To-Date	2,018.9	12,017.6	3,055.0	17,091.5
1998				
July	121.3	313.5	335.3	770.1
August	101.6	300.6	244.4	646.6
September	92.0	163.0	278.0	533.0
October	116.9	256.3	76.0	449.2
November	183.7	683.5	259.9	1,127.1
1998 To-Date	1,411.5	7,581.0	3,076.4	12,068.9

Source: ALIC Monthly Statistics

INSPECTED EGG PRODUCTS**U.S. Exports to Canada, in Pounds (000) (Preliminary)**

Type	Week Ending		Year-To-Date	
	1999	1998 /1	1999	1998
Liquid	235	291	2,230	2,023
Frozen	0	0	6	50
Dried	40	0	58	83
Total	275	291	2,294	2,156

U.S. Imports From Canada, in Pounds (Preliminary)

Type	Week Ending		Year-To-Date	
	1999	1998 /1	1999	1998
Liquid	130	51	566	764
Frozen	9	0	66	92
Dried	10	0	10	11
Total	149	51	642	867

Inspected Shell Eggs**U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

	Week Ending		Year-To-Date	
	1999	1998 /1	1999	1998
Jumbo	0	0	0	0
Extra Large	150	0	2,250	1,925
Large	1,900	2,050	10,184	8,900
Medium	1,800	300	4,476	5,519
Ungraded	3,870	1,500	46,769	14,515
Misc	0	0	0	0
Total	7,720	3,850	63,679	30,859

/1 Comparable Week, to-date figures may not total due to rounding.

CENTRAL REGION PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. March 05, 1999

CHICKEN PRICES

	FROZEN		FRESH	
	FOB	DELIVERED	FOB	DELIVERED
FAT				
CONTENT	DOCK		DOCK	
RANGE	17.00	19.00	-	-
WTD AVERAGE	17.00	19.00		

56,000 pounds, this includes 0 pounds for export shipment.

CHICKEN PRICES, WITH ADDED SKIN

15% OR LESS				
RANGE	12.00	-	12.00-14.00	-
WTD AVERAGE	12.00		13.50	

363,200 pounds, this includes 200,000 pounds for export shipment.

15-20%				
RANGE	10.00-16.00	13.00-16.00	7.50-12.00	12.00-13.50
WTD AVERAGE	11.50	13.21	10.31	12.70

1,470,800 pounds, this includes 561,600 pounds for export shipment.

20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

0 pounds, this includes 0 pounds for export shipment.

* INCLUDES THE FOLLOWING STATES: AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

LIVE POULTRY SLTRD UNDER INSPECTION W/E 27-Feb-99 (PRELIMINARY)

U.S. FOWL SLAUGHTERED DOMESTICALLY (000'S)

	LIGHT	HEAVY	TOTAL
	HENS	HENS	HENS
HEAD	2,040	1,356	3,396
LAST WEEK	2,055	1,299	3,354
SAME WEEK YR AGO	1,776	1,316	3,092
TO-DATE/1999	17,595	10,585	28,180
TO-DATE/1998	16,336	10,296	26,632

U.S. FOWL SLAUGHTERED IN CANADA

	LIGHT	HEAVY	TOTAL
	HENS	HENS	HENS
HEAD	468	7	475
LAST WEEK	434	0	434
SAME WEEK YR AGO	564	21	585
TO-DATE/1999	3,949	58	4,007
TO-DATE/1998	4,247	85	4,332

SOURCE: AGRICULTURE CANADA, POULTRY DEVELOPMENT DIVISION

TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA

	LIGHT	HEAVY	TOTAL
	HENS	HENS	HENS
HEAD	2,508	1,363	3,871
LAST WEEK	2,489	1,299	3,788
SAME WEEK YR AGO	2,340	1,337	3,677
TO-DATE/1999	21,544	10,643	32,187
TO-DATE/1998	20,583	10,381	30,964

EASTERN REGION PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. March 05, 1999

CHICKEN PRICES

	FROZEN		FRESH	
	FOB	DELIVERED	FOB	DELIVERED
FAT				
CONTENT	DOCK		DOCK	
RANGE	15.00-16.00	-	17.00	-
WTD AVERAGE	15.76		17.00	

716,000 pounds, this includes 250,000 pounds for export shipment.

CHICKEN PRICES, WITH ADDED SKIN

15% OR LESS				
RANGE	12.00	15.00	11.50	16.00-17.00
WTD AVERAGE	12.00	15.00	11.50	16.75

446,800 pounds, this includes 0 pounds for export shipment.

15-20%				
RANGE	11.50-12.00	12.50-14.00	9.00-13.50	14.00
WTD AVERAGE	11.82	13.63	11.26	14.00

1,981,900 pounds, this includes 0 pounds for export shipment.

20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

0 pounds, this includes 0 pounds for export shipment.

* INCLUDES THE FOLLOWING STATES: CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

YOUNG TURKEY PARTS AND BULK MEAT, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS

MARCH 05, 1999

Undertone on frozen thigh meat and fresh tom breast meat barely steady to fully steady. Offerings of fresh tom breast meat light to instances ample, frozen thigh meat light to fully adequate with some labels and trims better positioned than others. Undertone steady to barely steady on tom drums, tom necks and tom 2-joint wings. Tenderloin offerings light to sometimes available. Open priced fresh tom breast meat and fresh 15-20%skin added mechanically separated turkey heavy for March-April, fresh destrapped tenderloins 166, hearts 30.50-32, plant grade 8-10 lb. breasts 90-97. For export: hen 2-joint wings 36 cents.

FRIDAY, MARCH 05, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	20.00-23.00		21.50	320	21.73	706
WINGS FULL-CUT - TOMS		M	24.00	104	24.00	104
WINGS, V-TYPE, TOM		F	26.70	520		
TAILS		W	24.00	80	24.00	80
MECHANICALLY SEPARATED 4/	15.00		15.00	40	15.00	40
THIGH MEAT - FROZEN	50.00-53.00		51.70	92	50.80	472

THURSDAY, MARCH 04, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	21.00		21.00	200
WINGS FULL-CUT - TOMS		M	24.00	104
WINGS, V-TYPE, TOM		F	26.70	520
TAILS		W	24.00	80
MECHANICALLY SEPARATED 4/		F	17.00	40
THIGH MEAT - FROZEN	51.00		51.00	120

WEDNESDAY, MARCH 03, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	21.00-22.00		21.51	82
WINGS FULL-CUT - TOMS		M	24.00	104
WINGS, V-TYPE, TOM		F	26.70	520
TAILS	24.00		24.00	80
MECHANICALLY SEPARATED 4/		F	17.00	40
THIGH MEAT - FROZEN	49.00-53.00		50.38	260

TUESDAY, MARCH 02, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		M	24.00	104
WINGS FULL-CUT - TOMS		M	24.00	104
WINGS, V-TYPE, TOM		F	26.70	520
TAILS		F	21.41	370
MECHANICALLY SEPARATED 4/		F	17.00	40
THIGH MEAT - FROZEN		F	49.67	384

MONDAY, MARCH 01, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	24.00		24.00	104
WINGS FULL-CUT - TOMS	24.00		24.00	104
WINGS, V-TYPE, TOM		F	26.70	520
TAILS		F	21.41	370
MECHANICALLY SEPARATED 4/		F	17.00	40
THIGH MEAT - FROZEN		F	49.67	384

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.